



**Frequently Asked Questions 07/08 Per Capita QAP
As of July 10, 2007**

- 1. Will the Agency extend the Place in Service Dates for GO Zone credits to December 31, 2010 as passed by Congress?**
 - A. The Place in Service Date will remain December 31, 2008 until further notice.
- 2. We are having problems with some utility providers providing us “will serve” letters since we do not have completed construction plans. Will a letter from our architect/engineer verifying the appropriate utilities are available satisfy this infrastructure requirement?**
 - A. A certification letter from an architect/engineer would be sufficient. Additionally, it would help to have those infrastructure requirements clearly addressed in the projects Market Study as well.
- 3. Does the carryover cost have to be 10% of the 100% of the development costs on a mixed income project, or does the carryover cost only involve the 40% set aside affordable units, and therefore, require only 10% of the 40% of the total development costs?**
 - A. The 10% test necessary for carryover allocation is for 100% Total Development Cost of the entire project.
- 4. If a PHA sponsors a deal, must it receive 20% of the developer fee as such?**
 - A. The requirement that 20% of total Developer Fees are paid prior to delivery of Form 8609 applies only to CHDOs and non-profit general partners.

Only if it is a 501(c)(3), or regardless of its taxpayer status?

- A. If a nonprofit facilitated the allocation of credits either (i) from a special pool or set-aside for non-profits or (ii) on the basis of bonus points awarded to

the applicant, the requirement that 20% of the total Developer Fees be paid to the non-profit prior to the delivery of Form 8609 applies.

- 5. For a PHA sponsored deal where there is unrelated for-profit co-developer, and an unrelated 501(c)(3) co-developer, must the 501(c)(3) co-developer receive 20% of the developer fee- even if the PHA sponsor receives 20% already?**

A. See response to previous question

- 6. Rental Income Page:**

These cells are populated by formulas that do not match our actual rents. We have deleted the formulas and input our actual rents here, both for units with and without project subsidies. Please advise that this is the proper protocol.

A. Correct, just please provide comment in the comment box

Rows 72-80: We will have two residential buildings, with a community center located in one of the buildings. The configuration of rows 72-80, columns E and F, does not allow for proper identification of this configuration, as we will have only 2 buildings total (entering 2 residential low income and 1 community center, however, will incorrectly calculate 3 buildings). Please advise.

A. I would call it 2 residential buildings and footnote that one has a community room in it.

- 7. What does the TCR & FMR mean on the Rental income worksheet?**

A. Tax Credit Rent & Fair Market Rent

- 8. Do we have to complete the Reserve 20 yr schedule?**

A. Yes

- 9. Do we need a Federal ID # for Appendix 1?**

A. Yes or have applied for one.

- 10. How do we pull down the Development Services Agreement and the First Right of Refusal Agreement?**

A. Contact the Agency and the documents will be forwarded to you.

11. Where would we find the maximum rents allowable to fill in the Rental income worksheet?

A. (Find the link to HUD's web-site for rent and income limits)

12. Can an application score on-site daycare points for a senior deal- either for providing child/ grandchild care, or for providing senior daycare services?

A. By definition, On-Site Day Care Service is a formal contractual agreement must be in place to received points under this category. The provider must be licensed by the State of Louisiana. The service contract must be on the service provider's letterhead and it must have a designated space for the applicant's acceptance of the contract and agreement to terms of the contract. Points will not be allowed if the formal agreement does not contain the signatures of both parties and allow for a minimum contractual period of no less than 1 (one) year with the option to renew annually; Provided such contract must clearly define adequate day care services. Services must be provided Monday through Friday for at least 10 hours and flexible hours on the week-end. Food Service must be provided.

13. How does a PHA's Annual Contribution Contract function? Must it be a deal-specific allocation? Please elaborate.

A. Contact PHA or review the following link:
http://www.hud.gov/offices/hsg/mfh/rfp/docs/samp_acc.pdf or
<http://www.hud.gov/offices/adm/hudclips/forms/files/52520.pdf>

14. We have a pre-development loan approved from Local Initiatives Support Corporation (LISC). However, we have not had a formal closing of the funds yet. It will probably happen the same week of the due date of the tax credit application. Is there anyway we could pay our application fee by the end of July?

A. No, both the application and analysis fee due upon submission of the application.

15. Does LHFA have any policies in regard to permanent debt for a tax-exempt bond/ 4% LIHTC project where the permanent debt is financed with lower floater bonds or a swap instrument (swapping a variable rate for a fixed rate)?

A. The Agency has issued lower floater bonds to finance permanent loans with a fixed rate swap to convert the bonds effectively to a fixed interest. The State Bond Commission now requires the issuers of such bonds to have a policy concerning such derivative products. Every

resolution of the Agency to authorize multifamily bonds now contains the following required State Bond Commission language:

By virtue of the Agency's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval resolved and set forth herein, the Agency resolves that it understands and agrees that such approvals are expressly conditioned upon, and the Agency further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Swaps, or other forms or Derivative Products Hedges, Etc." adopted by the Commission on July 20, 2006, as to borrowings and other matters subject to approvals, including subsequent application and approval under said Policy of the implementation or use of any swaps or other products or enhancements covered thereby.

16. In the Selection Criteria, Section IV, Section G "Homeownership Units on Redeveloped Site", what is mean by redeveloped site? Is this a site in a Redevelopment Area, or simply recycled land, as in a single family home infill deal? The 07/08 Per Capita QAP does not have "redeveloped site" in the glossary.

A. See definition from QAP for Project Site or Property Site: *The legal description of the land on which the Project is located as submitted in an Application on or before the Application Deadline.*

A "Redevelopment Site" should track the definition above but with an allowance that prior improvements thereon may be demolished and/or redeveloped